## The West Virginia Venture: Empire Out Of Wilderness \*

E. Lawrence Marquess

It is not the purpose of this work to trace the history of the numerous financial enterprises that involved the attention of Stephen B. Elkins. The material in the hands of the author is not sufficient to undertake this monumental task and many of the so-called "true accounts" of Elkins' business affairs are to be found published in anti-Republican papers during the heat of presidential campaigns in which he took active part, thus casting a serious shadow of doubt as to their authenticity. A knowledge of certain of the Elkins investments is necessary, however, in order better to understand the political career of this businessman in politics. Particularly is this true of Elkins' political life in West Virginia, for, as his railroad, mining, and timber investments increased in the Mountain State, his political power increased accordingly.

On the national scene, it was Elkins' ability as an organizer, his marriage into the Henry G. Davis family, and his friendship with James G. Blaine that brought him into prominence. His friendship with the "Plumed Knight" developed when Elkins was Territorial Delegate in Congress from New Mexico and Blaine was serving his last session as Speaker of the House of Representatives. Elkins was known as a shrewd businessman, and he became Blaine's most constant financial adviser. The two men spent many evenings closeted in Blaine's library, and perhaps the colloquies were equally divided between politics and investments.<sup>2</sup>

<sup>\*</sup> This article constitutes Chapter III of the thesis, The Political Career of Stephen Benton Elkins, Businessman in Politics, submitted by the author to the faculty of the Graduate School in partial fulfillment of the requirements for the faculty of the Graduate School in partial fulfillment of the requirements for the faculty of the Graduate School in partial fulfillment of the requirements for the faculty of the Graduate School in partial fulfillment of the requirements for the faculty of the Graduate School in partial fulfillment of the requirements for the faculty of the Graduate School in The Indianapolis Sentinel on June 16, 1808, during the Republican National Convention of that year: "It is strange that the inside of Steve Elkins' alliance with Harrison has not yet become known. They are partners in business. When Harrison went to Washington has struck up an intimacy with Senator Davis of West Virginia. Elkins married a daughter of Senator Davis, and the intimacy extended to him. A few realism of the Harrison Cattle Company of Montana. Harrison's son, who is new or was recently in Elkins' office in New York, was made the executive facult of the cattle company and sent out to Montana. Elkins floated the stocks and business of the eastle company amounting to \$2,000,000. Since that enterprise was to be facult to the most intimate nature. The cattle company has had a difficult time during the last two years, like many others there, and it is not to fool the business and personal relations between the two men layer texts of the eastle company and strong obligations to Elkins."

\*\*Elected Service Montana\*\* G. Blaine\*\* (New York, 1932), 233.\*\*

The marriage of Stephen Elkins to Hallie Davis marked an The marriage of his career. It formed the basis for the partnership between Elkins and his father-in-law, Senator partnership between the Territory of New Mexico had little Henry Gassaway Davis. The Territory of New Mexico had little allure for the lovely and socially prominent daughter of wealthy Senator Davis and Elkins could hardly have been eager to return to the frontier life himself. At the end of his term as delegate from New Mexico, Steve decided to establish a legal practice in Washington, D. C. Here he and the new Mrs. Elkins' lived for two years—two years that were marked by financial success. Elkins declared in later years that his practice before the Supreme Court, aided by the friendships he had made during his Congressional career, was earning for him fees that totaled fifty thousand dollars annually.4

Perhaps the most famous of the cases that Elkins handled during his legal practice was the Jewett Claim against Brazil. This was an alleged claim growing out of a concession to one D. G. M. Jewett by the Brazilian government to develop certain guanos deposits on an island off the Brazilian coast. Jewett claimed that he had fitted out a vessel and had expended \$27,000 when the Brazilian government annulled the concession. When Elkins became attorney for Jewett, he filed an elaborate brief in the State Department in support of the claim. Elkins called for the enormous sum of fifty million dollars damages for his client!" It is said that Blaine presented the claim to the Brazilian government when he became Secretary of State in Garfield's cabinet. Blaine did not secure action on the claim and Elkins attempted to get successive Secretaries of State to press it, but after a full investigation in 1886, Secretary Bayard reported unfavorably on the claim. President Cleveland stated: "Such an egregious claim is an outrage upon any nation with

Elkins had married Sarah Jacobs of Wellington, Missouri, on June 10, 1868.

Dictionary of American Biography (New York, 1931), VI, 83. The author was unable to obtain information pertaining to the fate of the first Mrs.

Elkins. Two children were born to this marriage, Mrs. Sarah E. Oliphant, widow of General Alexander Oliphant, and Mrs. Elisabeth E. Wiedersein. New York Times, March 29, 1913. Davis Elkins, son of Stephen and Hallie Davis Elkins, said that his father did not mention his first wife to any of the family. Interview with Judge Ira Robinson.

Bear York Times, Jan. 5, 1911.

Guiston was greatly in demand in the United States for its use as a fertilizer. This substance was the dried excrement of birds and had been discovered in the early 1860's off the coast of Peru. U. B. Phillips, American Negro Sinesary (New York, 1918), 221.

Guisterus Myses, Bistory of the Great American Fortunes (Chicago, 1910), III.

Edit 506.

Fatindriphia Record, Dec. 21, 1891, quoted in Public Opinion, Dec. 26, 1891.

which the United States has or desires to have friendly relations." The "Jewett Claim" was later used as political ammunition for the opposition of both Blaine and Elkins.

Elkins was not satisfied with his legal practice in the national capital for he feared that he might degenerate into a lobbyist for the interests of others.9 New York City offered greater opportunity for business activity, so "Steve" established an office and a winter home in that center of the nation's wealth.10 It was during his early years in New York that he became interested in railroads and turned his attention more and more to the development of the natural resources of West Virginia, a project carried on in conjunction with his father-in-law."

Railroad growth in the United States has taken the form of east-and-west trunk lines. In West Virginia, especially, the geographical situation made this the natural course of transportation. The Baltimore and Ohio Railroad traversed northern West Virginia and made its way to the Mississippi Valley and the Great Lakes area. When this pioneer railroad reached Wheeling in 1853, it was observed that the roughest region yet traversed by an internal improvement in America was that between Cumberland and the Ohio River.

The southern railroad route in West Virginia followed the old James River and Kanawha Turnpike. After the Civil War, this route evolved into the Chesapeake and Ohio system.

Between the Baltimore and Ohio and the Chesapeake and Ohio Railroads lay a vast region that could be developed only by transportation improvements which would allow access to the trunk lines running east and west. The large railroads which crossed West Virginia were not interested in constructing branch lines into the interior of the state, for a venture of this type represented a gamble which might prove unprofitable. They preferred to leave to the enterprise of individuals the construction of feeder lines which could be utilized in bringing the wast timber and coal wealth of the interior of West Virginia to shipping centers located on the main lines.12 Henry Gassa-

<sup>\*</sup> Myers, Greet American Fortunes, III, 326.

\* New York Times, Jan. 5, 1911.

\* Distributory of American Biography, VI, 84.

\* Stew York Times, Jan. 5, 1911.

\* Charles M. Pepper, The Life and Times of Henry Gassaway Davis (New York, 1990). 38000 No. 30-305

way Davis's realized more thoroughly than anyone else of his day the possibilities that lay in the development of the natural resources of West Virginia. During the Civil War he had held contracts to supply the United States government with horses and mules and to furnish crossties, bridge timber, and lumber for other purposes to the Baltimore and Ohio Railroad Company. Representatives of H. G. Davis and Company had traversed eastern Pennsylvania, Maryland, and northern West Virginia buying mules and horses and searching for the most easily obtained timber.14 The reports of these agents composed a catalogue of the best timberlands in the area.

By the end of the Civil War, the substantial profits of the Davis firm had grown into considerable capital. With this capital Henry G. Davis was able to carry out his plan of expansion, based upon his knowledge of timberlands. With his brother, Thomas B. Davis, he bought several thousand acres of fine timberlands in the wild Cheat River country, at the summit of the Alleghanies, most of them in Garrett County, Maryland.18

On his land in Garrett County, Davis built a large summer residence, which was aptly named Deer Park. He lived at this residence during the summer months from April, 1867, until 1892, when he removed to Elkins, West Virginia. Davis erected a large summer hotel and numerous cottages for guests at Deer Park and in a short time the resort became known as the summer capital of the nation. It was here that President Cleveland spent his honeymoon in 1886.10

Henry Gassaway Davis was born in Baltimore, Maryland, on November 16, 1822. In 1842 he became a brakeman on the Baltimore and Ohio Railroad. Davis proved capable at his work and was promoted regularly. In the early 1850 he became station agent at Piedmont, West Virginia, where he organized a merhandising establishment in partnership with his brother. Thomas B. Davis. The Davis brothers prospered and Henry soon resigned his job as fastion agent in order to devote his full time to private business. Contracts a Company and the demand created by the Civil War for supplies caused the estarptise of the two brothers to grow by leaps and bounds. A strong bright in 1823 and was thus politically acceptable to the legislature of the last barden State in 1871, when he was elected United States Senator by that the last served as ansatur until 1822. He refused re-election and devoted the separation of railroads in 1824 and 1824 as ansatur until 1822. He refused re-election and devoted the separation is 1824 in 1824, when he was elected United States Senator by that the devoted as a senator until 1822. He refused re-election and devoted the separation for allroads in 1824 and 1824 the Davis was miscited as running mate for Alton B. Sinded and prospering. Davis was selected as running mate for Alton B. Salass the Grand Cold Man of West Virginia" lived quietly at "Graceland", its Passes, Benny Guessung Devis, Bottle, 10 died on March 11, 1918, 1964, T-303.

Davis realized that large profits from his newly acquired lands were possible only if transportation facilities were made available. Accordingly, he organized the Potomac and Piedmont Coal and Railroad Company, which was incorporated by an act of the Legislature of West Virginia on February 26, 1866. This railroad was to run from Bloomington, Garrett County, Maryland, up and along the North Branch of the Potomac River to the Big Run at Elk Garden, West Virginia. In the report of the Commissioners of Mines made to the Governor of Maryland for the year 1880 it is stated:

Bloomington up the North Branch of the Potomac, passing through the lower coal measures and the heavy timberlands to the big vein at the Elk Garden settlement. All the coal veins thicken as they approach the south end of the basin and lose their State partings. Assurances are given from reliable sources that this branch of eight (8) miles will be constructed during the coming season especially as a feeder to the canal, under special arrangements between the canal and the B. & O. Railroad, made at the January session of 1878.

The Davis investments along the North Branch of the Potomac River and in Garrett County promised profitable returns and an ordinary man would have been content to sit back and reap the gains, but Henry G. Davis was not an ordinary man. He foresaw a vast empire built from the wilderness of northern West Virginia.

South of the Potomac River, extending through Mineral, Grant and Tucker Counties in West Virginia, lay the Potomac Basin, a vast expanse of land containing at least six or seven distinct coal veins. This basin is fifty miles in length, averages seven miles in width and contains about 350 square miles, or 224,000 acres. It was estimated that this land contained enough

Charter and By-Laus of the West Virginia Central and Pittsburg Railway Company (1881), 3.

Squared in West Virginia Central and Pittsburg Railway. Statement, Engineer's to was the Chesapeake and Other Documents, 41-42. The canal referred Silver from Cumberland, Maryland, to Washington, D. C. A contract being from Cumberland, Maryland, to Washington, D. C. A contract being Company, signed September 22, 1880, stipulated that the Canal company would allow on all coal shipped on, or over ... "the railroad"... for a Silverback of ten cents per ton of 2,340 pounds of said coal from the Science and Statement of the canal, was to be said and word. "Combract with the Chesapeake and Onio Canal Company, find, 38-36.

coal to yield 31,220 tons per acre! The coal that lay beneath this vast tract was semi-bituminous; termed excellent for steam or wast tract was seen or mechanical purposes. Though only the northern edge of the Potomac Basin had been tapped by 1880, the product of its mines was being shipped over the entire United States for smithing purposes. The coal made a hard, silvery coke, sufficient to withstand the heaviest blast furnace.19

South of the Potomac Basin is Randolph County, West Virginia. In 1880 this county, the largest in West Virginia, was heavily wooded with vast areas of wild cherry, maple, oak, ash, poplar and black walnut. This valuable timber was being burned in order to clear land for cultivation. Farm fences were built of black walnut rails.20 The timber lacked value because there was no means of marketing it. The county had "an unusual proportion of rich valley and smooth upland, the main Cheat and Shavers' Mountains being the only high ridges. . . . The soil of the mountains is generally rich, and abounds in slate, freestone, limestone, coal and iron ore, and salt springs are numerous."21 Another report stated:

In Glade Fort (Randolph County) may be seen forty old poplars on an acre, thirty of which will measure an average of eighty feet without a limb-straight as a gun barrel and five feet through the butt. . . . The oak and pine timber is not excelled in quality by that of any other region in the United States, many of the pines being more than two hundred feet high and six feet thick.22

Davis became familiar with every square mile of this rich but wild country. He rode many miles on inspection trips, prospecting for coal. An entry in his journal tells of an early search for coal in Tucker County, West Virginia:

Aug. 16, 1869. Bro. Thomas and myself start on a trip at Canaan. Stop first night at Greenland. Mr. M. D. Neul and Abraham Smith go with us. Go to Corners from there, to 1 creek; stay all night with Cap Lamberts. On 19th on east side of mountain to Gouldigen;

Directors of the West Virginia Central and Pittsburg Railway Company, Engineer's Report, etc., 36-37.

Valley and Ohio Railroad Company, on the products of Virginia and West Virginia," West Virginia Central and Pittsburg Railway. Statement, Valley and Ohio Railroad Company, on the products of Virginia and West Virginia, West Virginia Central and Pittsburg Railway, Statement, Engineer's Report, etc., 42-43. \*\* Estracts from the Report of B. B. Osburne, W. Va. C. & P. Rwy., Statement, Estracts from report of directors of the Washington and Ohio Railroad,"

W. Ve. Central and Pittsbury Railway. Statement, Engineer's Report, etc., 44.

he goes with us to vein of coal; it shows about four feet; think it is 6 feet. If we were to go again think best way would be to go first to Greenland; there to Gouldigen. We went up the Creek to coal; found several veins, ours about 6 feet. It shows several small slates. Return to New Creek<sup>23</sup> by Greenland on the 20th and come to Deer Park same day.<sup>24</sup>

Later trips were made by Davis through Tucker, Randolph and Barbour Counties, in search of timber and coal. He was constantly noting possible routes for construction of railroads.<sup>25</sup>

Railroad construction in mountainous areas is a very costly venture. Grades cannot be too steep, tunnels must be blasted, bridges erected over wash-outs and gullies. The task of building the West Virginia Central and Pittsburg Railway was costly. It was obvious that one man could not finance the undertaking alone. Davis needed capital to realize his dream.

The plan for opening a wilderness of unlimited wealth must have had immense appeal to Stephen Elkins. His fortune had been founded in the rough frontier country of New Mexico where the man who was willing to gamble usually met with greatest success. West Virginia offered immense wealth to the man that controlled transportation. Since much of the area that the railroad was to penetrate was undeveloped, Davis and Elkins decided to build their road and establish lumber mills and mines themselves!<sup>26</sup>

It was not difficult to find men that were willing to invest in the stock of the proposed West Virginia Central and Pittsburg Railway Company. Davis was well-known and respected in the Senate and in Democratic Party circles. Elkins was a member of the Republican National Committee, an intimate friend of James G. Blaine and respected in New York and Washington financial circles. The result was a list of stockholders that might have been called, "Who's Who among the business-minded politicians"! Among the senators who took stock in the proposed railroad were James G. Blaine, Thomas F. Bayard, J. N. Camden, William Pinckney Whyte, William

so New Creek was later named Keyser and is now the county seat of Mineral as Journal of Henry Gusseway Davis, quoted in Pepper, Henry Gusseway Davis,

to Pepper Henry Gussensey Decis, 90.

In "The Saliways of West Virginia," West Virginia Supplement, Manufacturers' Second (1800). This article was among the Collections of Henry G. Davis.

Windom, Arthur P. Gorman, and Jerome B. Chaffee. Chaffee and Elkins had been associated in business enterprises in the Southwest.27 Small wonder that the West Virginia Central & Pittsburg became known as the "Senatorial Railway."28

Many of the bonds of the proposed railroad were placed by Augustus Schell, a chief of the Tammany society of New York and important in financial circles. Schell had met Davis at various Democratic national conventions and they were warm friends. Several Baltimore capitalists invested in the railway, among them John A. Hambleton, head of a banking house, William Keyser, and Major Alexander Shaw.29

The Legislature of West Virginia granted a charter to the West Virginia Central and Pittsburg Railway Company on February 23, 1881. The charter was very liberal, and under its provisions the railroad was granted

. . . all the powers, rights, and franchises necessary and proper for the carrying on the mining of coal, the building of manufacturies, saw mills or furnaces, the burning of brick, the manufacturing of lumber and the buying and disposing of the same, together with the right to buy and sell real estate, and for the transportation of coal and other products of its mines and property to market. . . . 30

The capital stock of the company was not to exceed ten million dollars and was to be divided into shares of one hundred dollars each. The affairs of the company were to be managed by its directors, all of whom were to be stockholders. Article 6 of the charter defined the area through which the railroad could be constructed. The line could be constructed

... from any point on the line of the Baltimore and Ohio Railroad, along the waters of the North Branch of the Potomac River, or any of its tributaries, and also along the waters of the Cheat, the Tygart's Valley and Greenbrier Rivers, to any lands or mines owned by said company in the counties of Mineral, Grant, Tucker, Randolph, Pocahontas, and Greenbrier, with the . . . authority of extending it to the town of Piedmont, in the county of Mineral, and also with the privilege . . . of extending its road along the waters of Tygart's Valley River from its headwaters to the Monongahela

or Pupper, Henry Gernamay Davis, 97.

of Cohimman Commercial Garette, June 22, 1884.

Distributed Commercial Garette, June 22, 1884.

Charter and By-Laure of the West Virginia Central and Pittsburg Railway Commenced and By-Laure of the West Virginia Central and Pittsburg Railway Com-

River; and down the Monongahela River to the south boundary of Pennsylvania. . . . 31

Should an owner or tenant of any real estate refuse to sell materials or land deemed necessary for the construction of the railroad, the land or material could be condemned and placed in the hands of the railroad! The railroad was to be completed between the Baltimore and Ohio Railroad and the Chesapeake and Ohio Railroad within ten years from the enactment of the charter, or by 1891.<sup>32</sup>

The stockholders of the West Virginia Central and Pittsburg met on June 25, 1881, for the purpose of electing directors and officers and to form bylaws by which the business of the company could be transacted. The bylaws adopted at this meeting stipulated that the stockholders were to meet annually on the second Tuesday in January of each year at the office of the company in New York City. (Elkins' office at 92 Broadway.) At the annual meeting a president, vice-president, and ten directors were to be elected from among the stockholders. The directors chose a secretary and a treasurer. Duties of the officers were defined in the bylaws and provisions were made for appointments to be made to fill any vacancies created among the offices. Henry Gassaway Davis was named president of the company, Stephen Elkins, vice-president. Alexander Shaw, James G. Blaine, Augustus Schell, William Keyser, J. N. Camden, T. E. Sickles, William H. Barnum, John A. Hambleton, Thomas B. Davis and Elkins were elected directors.33

A resolution, passed by the president and directors of the newly formed railroad company at a called meeting on June 28, 1881, provided that \$3,600,000 was to be borrowed for the purpose of completing the construction of the railroad and purchasing equipment. Coupon bonds were to be issued to cover the full amount; the bonds were to be of the denomination of \$1000 each, payable on July 1, 1911, in gold coin of the United States, "of the present standard weight and fineness", to draw interest at 6 percent per annum, "payable in like gold coin." By the terms of a bond indenture made on July 1, 1881, Augus-

<sup>21</sup> Stat., 5-4.
22 Charter and By-Laws of the West Virginia Central and Pittsburg Railway Com2002, 5-2.

tus Schell of New York City and William Pinckney Whyte were made trustees of the mortgage on the railroad.34

With the organization of the West Virginia Central an accomplished fact, Elkins began to take an active part in buying coal and timberlands and securing right-of-way for the railway. On July 5, 1881, ten days after the organizational meeting of stockholders, Elkins and Henry G. Davis left Deer Park, Maryland, to examine the country around Fairfax Stone and down the Cheat River. The men were on horseback, and spent three days inspecting timber and coal in that area. At night they slept on the floor of an empty house, their saddles serving as pillows.35 Elkins would often leave Deer Park early on Monday morning and walk along the right-of-way of the railroad, until he reached the end of the land owned by the West Virginia Central. Then he would visit the owners of property along the proposed route and buy their lands, often for a very small amount. The inhabitants either did not realize that a railroad would increase the value of their lands, or they simply were not interested. Elkins later stated that discussion of the railroad was held to a minimum during negotiations over land purchases!36 The work of obtaining right-of-way was so successfully carried out that by January 1, 1882, the president of the railroad could state:

The right of way for the first fifty miles from the junction with the B. & O. R.R. has been obtained at merely nominal cost, and without making any concessions that can embarrass the Company in the future operations of its railway.37

When construction was under way on the railroad, Senator Davis invited some of his associates to make a horseback trip with him over part of the proposed path of the railroad and on to White Sulphur Springs. The party included Elkins, Senators Bayard and Camden, Major Shaw, a guide and a waiter. They left Deer Park on July 19, 1881, and arrived at White Sulphur Springs ten days later. The trip was eventful; on the first night the men slept in an engineer's hut where they were forced

is First Mortpape and Deed of Trust, The W. Va. Central and Pittsburg Railway Company to Augustus Scholl and William Pinckney Whyte, trustees. (Duted in Journal of Henry Gussaway Davis, 88. or Interview with Judge Ire Robinson, of First Report of the West Virginia Central & Patebury Railway Company, Jan. J. 1865, S.

to use small boards as beds. On one day of the trip they ate fresh trout for three meals. A mountain along the trail was christened Mount Bayard, in honor of the Delaware senator. A night was spent at "Traveler's Repose" on the old Staunton and Parkersburg Pike. Careful note was made of all natural resources along the route and all the men were pleased with the results of the trip.36

Arthur W. Dunn relates the story of a humorous incident which occurred during one of the trips made by Davis, Elkins, and a party of their associates. As the days passed, it became evident to all members that Elkins had the faculty of obtaining the best bed in each of the small country hotels where they stopped. Davis was determined to beat Elkins in his selection. One evening he arranged to have his son-in-law detained while he hurried to the room assigned the party. Four beds were in this room and Davis examined each carefully, until he found one with good springs and a soft mattress. On this bed he placed his traveling bag, then left the room.

Later in the evening, Elkins went to the room and found the good bed pre-empted. He said nothing, selected another bed and threw his grip on it. He immediately went in search of the chambermaid, and when she was found, gave her a dollar and instructed her to exchange the springs and mattress on Davis' bed for the slats and mattress on his, but to be certain to replace the handbags.

Davis laughed quietly as he prepared to retire that night. Elkins had gone to bed without giving any indication that he realized Davis had bested him. Davis threw himself in bed and struck a mattress that was hard and supported by slats that would not give. He knew at once what had happened. "Elkins, you've robbed me!" he groaned."

The work of grading for the new railroad had been started on April 20, 1880, by the Piedmont and Potomac Coal Company. Construction proceeded without change under the newly formed West Virginia C. & P. " On November 2, 1881, the first section of the railroad was formally opened." This section ran

of Sourcest of M. G. Davis, specied in Pupper, Henry Guessensky Davis, 20. in Arthur W. Dunn, From Herrison to Hording, II, 142. in Front Supper, W. Vs. C. & P. Rosy, Co., Jamesery 1, 1882, 8. in Pupper, Henry Guessensky Davis, 510.

from the junction with the Baltimore & Ohio at Piedmont to the Elk Garden coal fields, a distance of 121/2 miles.

By January 1, 1882, 13 miles, 2,017 feet of standard gauge track and I mile, 1,661 feet of narrow gauge track had been built and placed in service. The company had purchased rolling stock valued at \$27,264.61, consisting of two locomotives, seven gondola and flat cars, ten iron hoppers and one passenger and baggage car. The first shipment of coal to travel over the new railroad was made October 20, 1881. Nearly 12,000 tons had been shipped from company mines via The West Virginia C. & P. by January 1, 1882.42

Construction went forward steadily along the North Branch of the Potomac River and into West Virginia. In August, 1883, the road was opened to Gormania, 32 miles from Piedmont. Both passenger and freight trains were soon making regular runs to this village, named for Arthur P. Gorman, U. S. Senator from Maryland. Fairfax Summit, 15 miles from Gormania, welcomed the engines of the West Virginia Central & Pittsburg in January, 1884.43 This point marks the headwaters of the North Branch of the Potomac River and the southwest boundary of Maryland. The famed Fairfax Stone was placed here in 1746 to mark the uttermost extent of the lands granted by the King of England to Lord Fairfax in 1745.44

Tracklaying was completed to Davis in Tucker County on November 1, 1884.45 Construction of the line was suspended at this location, 571/2 miles from the junction of the West Virginia C. & P. with the B. & O. Time was needed to improve road-bed already constructed and to build facilities to handle traffic passing over the road. During 1885 an engine-house, depot, cattle pens and chute, a "Y", a "medium-sized" hotel, and necessary sidetracks to the engine-house were erected at Davis by the West Virginia Central. Train service to Davis began in June, 1885. During the summer of that year, two through trains, one regular passenger and mail, the other a mixed train of freight and passenger cars, began daily runs over the railroad. The

as Farat Report, W. Va. C. & P. Rusy. Co., Jan. 1, 1882.

Createst & Posterinary Remove Company and Directors of the West Virginia as Charles E. Arctics, Seat Virginia (New York, 1981), 54.

E. 1866.

severe weather of the mountainous territory traversed by the West Virginia C. & P. reduced rail traffic in winter to one daily through train.<sup>40</sup>

Freight carried over the West Virginia Central and bound for Cumberland or Baltimore, Maryland, or destined to travel over the Pennsylvania Railroad, had to be shipped to Piedmont by West Virginia Central, then transferred to the Baltimore & Ohio Railroad. The B. & O. would carry the freight to Cumberland, where it was often transferred to another line. To remedy this situation, the Piedmont and Cumberland Railway was built during 1886. As the name implies, this line ran from Piedmont to Cumberland, a distance of 29.2 miles. The road made connection at Cumberland with the B. & O. and the Pennsylvania railroads, and the Chesapeake and Ohio Canal Company. The majority of stock of the Piedmont and Cumberland was owned by the controlling stockholders of the West Virginia Central, and the latter road operated the former for sixty per cent of the gross earnings. Stephen B. Elkins served as president of the Piedmont and Cumberland. Active operation of this line began in August, 1887.47

The fourteen mile descent from Thomas to Parsons, West Virginia, comprised the worst terrain through which the West Virginia Central constructed its line. Even today, three "helper" engines are often necessary to aid a small freight up this "haul," as the trip from Parsons to Thomas is termed. This section was graded during 1887,40 but the track was not completed to Parsons until the spring of 1888. Floods during July, 1888, caused wash-outs and slips between Thomas and Parsons, and nearly \$40,000 was spent before the line was restored. Plans to finish construction of the 23 miles from Parsons to Elkins (formerly Leadsville) by January 1, 1889, were blocked by unusually wet weather during the late summer and fall of 1888."

Leadsville, Randolph County, was located at the northern end of the beautiful Tygart's Valley, a few miles from the Roaring

see Fourth Annual Report of the Pres. and Directors, W. Va. C. & P. Rwy. Co., Summery 36, 5806, 5.

of Stoth Annual Espect of the Pres. and Directors, W. Vo. C. & P. Ruy, Co., Jan. 18, 1888, 4.

No. Stoth Annual Espect of the Pres. and Directors, W. Vo. C. & P. Ruy, Co., Jan.

Serventh Associal Report of the Pres. and Directors, W. Vu. C. & P. Ruy. Co., San. 25, 1889, 8.

Creek coal region. Tygart's Valley is thirty miles long and in 1888 had a population of eight thousand to ten thousand people, most of whom were engaged in agricultural pursuits. Leadsville itself was hardly more than a settlement, with a post office, a few houses, and a round barn. These buildings were grouped along the Tygart's Valley River, near the mouth of Leading Creek.

In 1888 the West Virginia Central decided to make Leadsville the end of the First Division of the road.<sup>52</sup> In tribute to Stephen B., the name "Leadsville" was changed to "Elkins."<sup>53</sup> City lots were laid out and provisions were made to erect repair shops and an engine-house.<sup>54</sup>

Despite delays in construction which plagued the grading and track crews, the railroad was completed to Elkins in the summer of 1889. Trains began running regularly to this point on the 18th of August, 1889.<sup>55</sup>

The railroad lost little time in building the town of Elkins into a rail center. By December 31, 1889, a new passenger and freight depot had been erected, the telegraph line was extended to Elkins, freight and passenger agencies were established, and a brick engine-house of five stalls was well on the way to completion. C. L. Bretz, General Manager of the West Virginia C. & P., was able to report that the passenger revenue of the Elkins station for the last three months in 1889 was \$1,275.15, freight revenue for the same period, \$3,576.53.56 Machine shops, a boiler and blacksmith shop, and a 60-foot Keystone turntable were added to the Elkins yards in 1890. The work of general repairs for the rolling stock of the railroad was shifted from West Virginia Central Junction to Elkins.57

Two years after its formation, Elkins was a town of 1500 population, with a "handsome and commodious hotel, with all modern conveniences, a substantial bank building, in which a bank is to be opened in a few weeks, and many well-constructed business houses and residences." The business of the West Virginia Central continued to be concentrated at Elkins and in 1895, the general offices of the company were located at that town. \*\*

Transportation was provided for the Roaring Creek coal field, six miles west of Elkins, by constructing in 1890 a branch line from Elkins to Belington, a distance of 17.6 miles. The Baltimore and Ohio Railroad maintained a 42-mile branch line from Grafton to Belington. This line linked the West Virginia C. & P. with all points west. The track was completed south from Elkins to Beverly in 1890, a distance of 6 miles. 60

The West Virginia Central and Pittsburg was not extended until after 1891, while it remained under the ownership of Henry G. Davis, Stephen B. Elkins, and their associates. The mileage of the road on June 30, 1898, was as follows: 61

Main Line: W. Va. C. Junction (with B. & O.) to Elkins	Miles	Miles 84.4
Branch Lines:		7.70
Shaw to Mineville	2.0	
Harrison to Elk Garden		
Thomas to Davis	6.3	
Elkins to Belington	17.6	
Elkins Junction to Beverly	5.5	
		38.4
		122.8
Piedmont & Cumberland (operated by W. Va. C.)		28.8
Total		151.6
Second Track		101.0
Siding, W. Va. C. & P.	34.36	
Siding, P. & C.	12.33	
	12.00	
	51.33	

Sectionized Sun, New 13, 1891, quoted in Ninth Annual Report of Pres. and Dir.,
W. Yu. C. & P. Rusp. Co., 52.

Se Penriserati Annual Report of the Pres. and Directors, W. Vu. C. & P. Rusp. Co.,
doig. 13, 1895, 10.

Se Penris Annual Report of the Pres. and Directors, W. Vu. C. & P. Rusp. Co., Jan.
Sc. 1895, 2.

Sectionization Annual Report of the Pres. and Directors, W. Vu. C. & P. Rusp.
Do., doig. 2, 1895, 2.

The total equipment owned by the company June 30, 1898, was: 35 engines, 18 passenger cars, and 2,067 freight cars. Total cost of this equipment was \$1,378,302.25.62

The West Virginia Central depended largely on coal shipments as a source of revenue, but the vast timber tracts through which the railroad was constructed attracted other industries. Lumber mills, tanneries, and pulp mills followed the wake of the railroad. Farmers early began shipment of cattle over the new line. Cattle from Tucker, Randolph, Pocahontas, and Pendleton Counties were driven to Davis, West Virginia for shipment in 1885, when construction of the railroad was suspended at that point.<sup>63</sup>

The vast amount of virgin timber in northern West Virginia began to resound with the ring of axes and the shriek of the mill whistle almost as soon as rails were laid through the area. The Rumbarger Lumber Company completed a large mill at Davis in 1886. This mill had a capacity of 40,000 to 50,000 feet of lumber per day. A company which owned large tracts of land on the forks of the Cheat River at Hendricks, arranged in 1888 to market and ship at least 10,000,000 feet of lumber yearly! An extensive boom was constructed the same year on Blackwater River, between Parsons and Hendricks, by Shaw & Company, a Pennsylvania firm.64 The Blackwater Boom and Lumber Company, of Davis, erected a large planing mill and built seven miles of standard gauge railroad for the purpose of stocking their mill and marketing pulpwood and bark. Fourteen million feet of lumber and a large quantity of pulpwood were shipped over the West Virginia Central by this company in 1890.43 A new organization, Beaver Creek Lumber Company, erected a large mill at Davis, West Virginia, in 1890-1891. This mill had a capacity of 75,000 to 100,000 feet of lumber per day. Eight miles of standard gauge track were built by this company along Beaver Creek to supply logs, bark, and pulpwood.\*\*

Seventeenth Annual Report of the Pres. and Directors, W. Va. C. & P. Rwy. Co., Aug. 9, 1898, 3.

10 Fourth Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 28, 1886, 7.

10 Seventh Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 28, 22, 1889, 7.

10 Seventh Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 18, 1899, 7.

10 Seventh Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Aug. 13, 1899, 8.

The Dry Fork Railroad Company was organized in 1893. This company constructed 31 miles of standard gauge track from Hendricks, on the West Virginia C. & P. Railway, to Horton in eastern Randolph County. The railroad followed the Dry Fork of the Cheat River to Harman, and from thence to Horton. A large sawmill was erected at Horton in 1895. The West Virginia Central and the Dry Fork Railroad built a freight and passenger station at Hendricks to be used in common by both lines.67

The leather industry requires large amounts of tree bark for the tanning of leather. It has proved less expensive to locate tanneries near a source of bark and ship the hides to this source than to ship bark for great distances to the source of hides. For this reason many leather companies were eager to locate tanneries along the heavily wooded right-of-way of the West Virginia Central. Fayerweather and Ladew, New York, erected the largest tannery in West Virginia at Davis in 1886. This tannery represented an investment of \$750,000, and was soon processing 75,000 hides per year. These hides were shipped to Davis from Chicago. Eight thousand cords of bark were used annually by this tannery.68 Hoffman & Company, of Wheeling, purchased property at Gorman in 1888. This company began construction that year on a tannery expected to employ from 100 to 150 men.69 The Middlesex Leather Company established a tannery at Bayard in 1894. The same year another tannery was built at Parsons in Tucker County.70 This tannery is operated today by the Armour Company.

The presence of large quantities of spruce wood, excellent for making pulp for paper manufacture, drew several pulp mills to the line of the West Virginia Central. The Piedmont Pulp and Paper Company built a large pulp mill at Piedmont in 1888; the Luke Brothers established a pulp mill in Davis in 1893.71 A pulp mill was built at Parsons, but the author does not know the date of construction nor the name of the company which

of Fouriseenth, Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Aug. 12, 1886, 8.

ss Fifth Annual Report of the Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 20, 1887, 7; and Tenth Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 20, 1892, 22

ss Seconds Annual Report of Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. 22, 1888, 7

<sup>25, 1600, 1.</sup>Therecoult Annual Report of the Pres. and Directors, W. Va. C. & P. Ruy. Co.,
Ang. 14, 1504, 21.
Seventh Annual Report of the Pres. and Directors, W. Va. C. & P. Ruy. Co.,
Sec. 22, 1605, 7; and Twelfth Annual Report of the Pres. and Directors, W. Va.
C. & P. Eug. Co., June 20, 1202, 6.

erected the mill. To my knowledge, none of the pulp mills mentioned above are in operation today. Of the pulp mills at Davis and Parsons, nothing except ruins remains. Wood suitable for paper manufacture became scarce in this area and the machinery of the mills was moved to new locations.

The West Virginia Central depended upon coal shipments for much of its revenue. The railroad owned 29,069 acres of coal lands and had mineral rights on 1,743 additional acres. During 1882, 257,068 tons of coal were shipped over the lines of the company; of this amount, 228,294 tons came from the Elk Garden mines, owned by the railroad. The net profit from the sale of coal belonging to the West Virginia Central amounted to \$90,197.06 in 1882. The net earnings for the railroad alone during the same year were \$29,860.65.72 The importance of coal to the road is shown by the following report on Company revenues in 1887:73

## MINING

During the year 1887 the Company has mined and sold from its different mines on the line of the road, 259,354 tons of coal, the net profit from the sale of which amounted to—

Transportation		\$ 51,982.29
Receipts.		
Passengers	\$ 27,704.15	
Coal Freights		
Other Freight & Express	45,392.97	
Miscellaneous		
Car Mileage, etc.	23,110.24	
Total	\$191,195.82	
Expenditures.	4.001,0000	
Op. Exp.	\$ 99,170.06	
Miscel.	10,653.02	
Taxes, 1887	9,979.08	
	\$119,802.16	71,393.66
		-

\$123,375,95

After interest on the bonded debt of the railroad had been paid on July 1, 1887, and January 1, 1888, the total net earnings for 1887 amounted to \$60,635.04.74

rs First Annual Report of Pres. and Directors, W. Vu. C. & P. Ruy. Co., Jan. 9, 15 Sight Annual Report of the Pres. and Directors, W. Vu. C. & P. Ruy. Co., Jan. 94, 1800, 1.
24 First, 4.

The number of coal mines along the West Virginia Central increased each year. Of the twenty mines in the Elk Garden, Upper Potomac and Roaring Creek coal regions in 1898, fourteen shipped their coal over the West Virginia C. & P. line. From 257,068 tons of coal shipped over the line in 1882, the amount had risen steadily to 1,053,460 tons in 1897. From October 20, 1881, to June 30, 1898, 10,913,529 tons of coal traveled over the tracks of the West Virginia Central & Pittsburg.75

The transportation of coke began in June, 1887. Twenty coke ovens at Thomas, West Virginia, produced 2,211 tons of coke during 1887 and this amount comprised the total shipment of coke over the West Virginia C. & P. for that year.76 By June, 1898, coke ovens were burning at Thomas, Coketon, Douglas, Custer, and Junior. From these ovens, 230,294 tons of coke were shipped during the year ending June 30, 1898."

From its first year of operation, the West Virginia Central & Pittsburg Railway paid substantial profits to the owners. The average yearly net income, figured over a 161/2 year period," amounted to \$85,200. This profit was realized after all fixed charges were paid!

In 1886 Henry G. Davis & Brother and Stephen B. Elkins formed a partnership for the purpose of opening coal lands at a point now known as Coketon, about a mile south of Thomas, West Virginia. Henry G. Davis & Brother contributed twothirds of the capital and Stephen B. Elkins one-third. In September of the same year Davis Mine No. 1 was opened on the Ervin tract of 1690 acres, owned by Henry G. Davis & Brother, and 22,400 tons of coal were shipped from this mine into the general market that year. In 1887 the firm enlarged its operations at this mine and built two coke ovens, for the purpose of testing the coking qualities of the coal. Owing to the depressed

<sup>28</sup> Senenteenth Annual Report of the Prez. and Directors, W. Va. C. & P. Ruy.

Co., Aug. 2, 1898, 23.
State Annual Report of the Pres. and Directors, W. Va. C. & P. Rwy. Co., Jan. DE, 2005, 36.

Several service of the Pres. and Directors, W. Va. C. & P. Ruy. Co., Aug. 2, 1866, 24.

Fr. Several service of the Pres. and Directors, W. Va. C. & P. Ruy. Co., Aug. 2, 1866, 24.

Fr. Several service of the years of smallest profit. The fiscal year of June 20, 1866, to June 20, 1866, was the most profitable to the Railroad. A net income of \$127,855.77 was realized during that period, First through the Seven-bernith Annual Report of the Pres. and Directors, W. Vu. C. & P. Ruy. Co., Sen. 8, 1865, to June 20, 1866. The author does not have in his possession the Annual Superior of the company from 1866 until January, 1862, when the West Varginia Control was sold to the Western Maryland line.

condition of business, very little was done at this plant during that year.

In December, 1888, it was decided to organize an incorporated company for the purpose of promoting and increasing the business of mining, shipping, and coking Davis coal. Accordingly, on January 17, 1889, Henry G. Davis, Stephen B. Elkins, Thomas B. Davis, H. G. Buxton, W. J. Armstrong and F. S. Landstreet met at Piedmont, West Virginia and organized the Davis Coal and Coke Company. The capital of this corporation was fixed at \$16,000, with the privilege of increasing the same from time to time to \$250,000. The \$16,000 capital was divided into 160 shares of \$100 each. Henry G. Davis & Brother subscribed for 97 shares; Stephen B. Elkins, 48 shares. The rest of the shares were divided evenly between Buxton, Armstrong and Landstreet.

On February 23, 1889, the company leased from Henry G. Davis & Brother, Stephen B. Elkins, Hallie D. Elkins (Mrs. Stephen B. Elkins) and the heirs of W. R. Davis all the Davis coal underlying lands owned by them in Tucker County, West Virginia, and the surface right to about 40 acres of ground surrounding Davis Mine No. 1. This lease was dated January 1, 1889, approved and executed February 13, 1889, and approved by the stockholders and directors at a general meeting held at Baltimore on March 15th, 1890. The Company agreed to pay to H. G. Davis & Brother, Stephen B. Elkins and Hallie D. Elkins for all coal mined under their property a royalty of four cents a ton. The lease was to be in effect for a period of fifty years.

Increased improvements on the property of the company made necessary a new issue of stock in July, 1889. The full amount of the authorized capital was issued during that month. When this issue had been made, Elkins held 829 shares of the company's stock.

The Davis Coal and Coke Company kept expanding, buying real estate around and in Thomas, West Virginia, the mining equipment and mining rights of other surrounding companies, until by May 1, 1894, the holdings of the Company amounted

to 30,000 shares of stock, of which Stephen B. Elkins held 5,011 shares.  $^{79}$ 

The Davis and Elkins Coal Company was organized on March 16, 1889, with a subscribed capital stock of \$100,000, divided into 1,000 shares of \$100 each. The property of the company was purchased from Stephen B. Elkins, Henry G. Davis, and Thomas B. Davis. The land purchased lay in Maryland and West Virginia and amounted to 4,379 acres, besides some town lots in Franklin and Bloomington, Maryland. The company paid for all of this property by issuing to the Davis brothers and Stephen B. Elkins 990 shares of capital stock, equal shares of 330 going to each of the three men. <sup>60</sup>

By the beginning of the twentieth century, several large rail-road companies were negotiating for the purchase of the West Virginia Central Railway. One of these lines was the Wabash, then under the control of the Goulds. They wanted a railroad into Pittsburgh from the region tapped by the West Virginia Central and they had purchased the Western Maryland with this object in view. The latter road ran from Baltimore to Hagerstown, and an extension to Cumberland, Maryland, was planned.

Negotiations for the purchase of the West Virginia Central & Pittsburg began in the autumn of 1901. Stephen Elkins and Henry G. Davis continued negotiations with representatives of the Goulds, until the sale of the West Virginia C. & P. was consummated, early in January, 1902. The West Virginia Central was sold by its owners on a basis of complete transfer. At present the Western Maryland Railroad still owns and operates the line.

As soon as negotiations for the sale of the West Virginia Central were completed and the road turned over to the Western Maryland, Stephen Elkins sent a message to Ira Robinson, a young attorney of Grafton, West Virginia. He wanted to see Robinson at once. The young attorney hurried to Elkins, where Stephen B. informed him that he had just sold the West Virginia.

<sup>22</sup> Dente Coul and Coke Company; History of its incorporation and reorganization, forgether with a history of the Companies merged with it, lists of lands and other property if owns and controls, and other similar information, May 1, 1894, 1-4.

20 English, 12.

21 Pappert, Henry Gussevery Davis, 196.

ginia Central and that ". . . I have \$500,000 to invest in coal lands." Elkins had his eye on coal lands in Preston County and he wanted Robinson to act as his purchasing agent. Robinson agreed to take the assignment and spent nearly the entire year 1902 traveling through Preston County, purchasing land desired by Senator Elkins. 52

To assure means of marketing his Preston County coal, Elkins purchased the Morgantown and Kingwood Railroad in 1902. By 1907 this road had been completed eastward to connect with the main line of the Baltimore and Ohio at Rowlesburg.<sup>53</sup> At the time of his death, the largest single item in the estate of Stephen B. Elkins consisted of bonds of the Morgantown and Kingwood Railroad. These bonds had a face value of \$729,000 and were appraised in the taxation proceedings at \$583,200.<sup>54</sup>

With several million dollars cash capital, realized from the sale of the West Virginia Central, Henry Gassaway Davis decided to invest once more in railroad construction. Together with Elkins and others, the most prominent of whom was Richard C. Kerens of St. Louis, Davis organized the Coal and Coke Railway Company. This organization was incorporated May 14, 1902, under the General Incorporation Act of West Virginia with an authorized capital stock of five million dollars, which was later increased to ten million dollars. The company proposed to build and maintain a railroad from Elkins to Charleston, West Virginia, a distance of 175 miles. With this end in view, the Charleston, Clendenin & Sutton Railroad, which was in operation for 64 miles from Charleston up the Elk River, was acquired, and on August 11, 1903, merged into the Coal & Coke Railway. Eighteen miles at the northern end of the line were leased from the Roaring Creek & Belington Railroad." Nearly 100 miles of new road was constructed before the railroad was completed from Elkins to Charleston. The main line of the Coal and Coke was completed in December, 1905, and the movement of freight was started on December 3, 1905, by sending from Elkins a train of coal, coke and lumber "via Charleston for points west." The first passenger train between

Schooling with Subjective Robinson.

Stationary of American Biography, VI, 85-64.

State Lock Stream Mason 86, 3504.

Stream America Separation Cont. and Color Railway Company for the Floral Year Subjective Stationary Company for the Floral Year.

Elkins and Charleston ran on January 21, 1906. Stephen Elkins owned 6,775 shares, preferred stock, of the Coal and Coke Railroad, valued at \$338,750.

Stephen Elkins was criticized harshly during his lifetime. Terms like "robber baron", "tool of the railroad bosses", and other expressions too vile to appear on these pages, were applied to "Steve." Those that would debase him, however, forget that Elkins had the courage to wrest a fortune from an untamed wilderness. The development of West Virginia was greatly speeded by Elkins and his associates. The knowledge gained from operating railroads in the Mountain State greatly aided Elkins in writing the Elkins Act of 1903, the first railroad regulation that was actually effective. The energy, courage, and judgment of Elkins, shown by his success as a builder of railroads, an operator of mines, and a creator of towns, won for him a large influence in the councils of the state and nation. He became "pre-eminently the business man in politics." \*\*

<sup>\*\*</sup> Second Annual Report of the Coal and Coke Rwy. Co., June 30, 1906. The Pullman car made its first appearance on the Coal & Coke Railroad when one was used to carry state dignitaries to the funeral of Stephen B. Elkins, in January, 1911. Interview with Judge Ira Robinson.

January, 1911. Interview with Judge Ira Robinson.

\*\*F New York Times, March 29, 1913. Other large holdings of Elkins were 815 shares of the American National Bank of Washington, D. C., and 9,145 shares of the Great Falls and Old Dominion Railroad. Total value of these shares was \$800. Ibid.

sa Dictionary of Am. Biog., VI, 84.